

# **Town of Lincoln**

## **Budget Board Meeting**

**April 8, 2014**

### **Present:**

**&#8203;Carl Brunetti&#8203;&#8203;Mike  
Babbitt&#8203;&#8203;Hagop Jawharjian&#8203;&#8203;Bob Turner  
&#8203;Paul DiDomenico&#8203;Maria  
Marcello&#8203;&#8203;Rhonda Lacombe&#8203;&#8203;Richard  
Foster  
&#8203;Bill DiBiasio&#8203;&#8203;Bill McManus**

### **Absent:**

**&#8203;Paul Deutsch**

### **Call to Order**

**The meeting began at 7:30 pm with the Pledge of Allegiance.**

### **Approval of Minutes**

**The minutes of April 7th were distributed for review.**

**Bill DiBiasio made a motion, seconded by Paul DiDomenico, to accept the minutes.**

**The minutes were approved as amended by unanimous vote.**

**Bill DiBiasio made a motion, seconded by Richard Foster to change the order of business so that the Education Budget would be**

**deliberated first as the Finance Director John Ward was present to discuss that, and in particular the questions the Budget Board had regarding Health Care.**

## **Business**

### **FY15 Education Budget**

**The Finance Director and Budget Board discussed Health Care in the Education Budget.**

**There are no Revenue Lines that show the Co-Shares that the employees pay into Health Care.**

**The gross health insurance claims get taken out of the Municipal Budget and are applied to the local appropriation.**

**The Town pays all claims and the stop loss insurance,**

**The Co-Shares should be applied to the same account to net against those claims.**

**The Plan Administration Fees paid to Blue Cross are paid for by the Schools directly. Those amount to approximately \$28. per member per month.**

**The Finance Director noted that the best way to get the total number for Health Care would be to take the total number of people currently enrolled, multiply that by the working rate and then subtract the Co-Shares.**

**The working rate is based on historical and projected increases.**

**The Budget Board discussed a worksheet they put together with**

**different calculations and projections for the Health Care number.**

**The enrollment information the Budget Board has is only projected, and it was noted that claims are unpredictable and can go up and down a lot within a period of time.**

**The Finance Director noted that the audited numbers are net of the Co-Shares.**

**The Budget Board discussed that there is a projected overage in Health Care of \$700,000 which the schools plan to absorb without running a deficit so there has to be a surplus somewhere in their budget.**

**It was noted that if whatever the decided recommendation/budget is ends up not being enough the schools can always come back for a supplemental appropriation.**

**Bill McManus made a motion, seconded by Hagop Jawharjian to adjust Holding Account, Self Insured Medical from the School Committee's recommended \$5,109,397 to \$4,826,932.**

**The Finance Director discussed that a projected 8% increase is high, but it is the industry standard and would make the budget safer against any deficits.**

**He noted that it is important when applying a growth trend that it holds up as accurate when you look back at historical information.**

**Bill DiBiasio made a motion, seconded by Bob Turner to amend the original motion to \$4,520,000 for a reduction of \$589,397 from the original proposal.**

**The motion to accept the amendment to the original motion was**

**approved by a vote of 9-1 with Hagop Jawharjian opposed.**

**Bill DiBiasio made a motion, seconded by Richard Foster to approve the motion to adjust Holding Account, Self Insured Medical to \$4,520,000.**

**The motion passed by a vote of 9-1 with Hagop Jawharjian opposed.**

**The Budget Board noted that if there are unanticipated expenses that cause a deficit in that account, the Town could go for a supplemental appropriation the following year so the schools would not have to reappropriate the funds from other areas to cover it.**

**Carl Brunetti made a motion, seconded by Bill DiBiasio, that Health Insurance Co-Shares be adjusted from \$253,196 to \$244,653 as a recommendation.**

**The motion passed by unanimous vote.**

**Bill DiBiasio made a motion, seconded by Paul DiDomenico, that Dental Co-Shares be adjusted from \$18,770 to \$15,260 as a recommendation.**

**The motion passed by unanimous vote.**

**This makes the total adjustments made to the Town Administrator's recommended Education Budget \$1,212,910.**

**Bill DiBiasio made a motion, seconded by Mike Babbitt, that the Total Education Budget be recommended at \$50,964,331 which is an increase of \$1,354,370 or 2.73% over the previous year.**

**The motion passed by unanimous vote.**

**This means the Total Municipal Contribution to Education will be recommended at \$40,096,241 for an increase of \$433,151 or 1.09% over the previous year.**

**There will also be \$1 million in Medicaid and 9,868,090 in State Aid to Education contributing to the Education Budget.**

**The Budget Board discussed that once they have submitted a budget for recommendation to the Financial Town Meeting, in order to change anything more than a certain amount on the floor of the meeting by charter any individual or body (including the Budget Board) would have to submit a resolution with signatures at least 15 days prior to the meeting.**

**The Finance Director noted that the resolutions proposed exceed the amounts recommended for resolutions in the budget by \$50,000 (The High School Campus Feasibility Study) and that will come out of the tax levy.**

**It will be up to the Budget Board to decide placement of that expense in the operating budget.**

**According to the Town Solicitor, the schools will select the Committee for the project, but there is no specification as to who will oversee that Committee.**

**The study is a requirement of the RI Department of Education in order to justify need in Phase I of the project.**

**Bill DiBiasio made a motion, seconded by Richard Foster, to return to the original order of the agenda of the meeting.**

**The motion passed by unanimous vote.**

## **Correspondence**

**The Budget Board received information about health insurance payments and a breakdown of the detail of the sewer project.**

**They also received information regarding the Composting Solar Powered Facilities for Chase Farm.**

**When the information is available, the Budget Board wanted more detail regarding which company will be doing the job and the units that will be installed as they still feel the project is a high estimate that should be justified.**

**The Budget Board received correspondence from the Town Administrator regarding the High School Campus Feasibility Study and that he believes that \$50,000 should be a Municipal Resolution.**

## **Business**

**FY15 Education Budget**

**FY15 Municipal Budget**

## **Resolution I**

**Bill DiDomenico made a motion, seconded by Paul DiDomenico, to approve the wording of Resolution I for recommendation to the Financial Town Meeting.**

**The motion passed by unanimous vote.**

### **Resolution III**

**Bill DiBiasio made a motion, seconded by Richard Foster, to approve the amended wording of Resolution III for recommendation to the Financial Town Meeting.**

**The motion passed by unanimous vote.**

### **Resolution IV**

**Bill DiBiasio made a motion, seconded by Richard Foster, to approve the wording of Resolution IV for recommendation to the Financial Town Meeting.**

**The motion passed by unanimous vote.**

### **Resolution VIII**

**Mike Babbitt made a motion, seconded by Paul DiDomenico, to approve the wording of Resolution VIII for recommendation to the Financial Town Meeting.**

**The motion passed by unanimous vote.**

### **Resolution IX**

**Bill DiBiasio made a motion, seconded by Paul DiDomenico, to approve the wording of Resolution IX for recommendation to the Financial Town Meeting.**

**The wording of the resolution was discussed.**

**The motion and second were withdrawn.**

**Bill DiBiasio made a motion, seconded by Paul DiDomenico, to table voting upon Resolution IX pending further wording amendments.**

**The motion passed by unanimous vote.**

**Bill DiDomenico made a motion, seconded by Paul DiDomenico, that State Aid to Education be recommended at \$9,868,090.**

**The motion passed by unanimous vote.**

**Mike Babbitt made a motion, seconded by Paul DiDomenico, that the Town Appropriation to the Education Budget be recommended at \$40,096,241.**

**The motion passed by unanimous vote.**

**Bill DiBiasio made a motion, seconded by Richard Foster, that the Total Education Budget be recommended at \$50,964,331 for an increase of 2.73% over the previous year.**

**The motion passed by unanimous vote.**

**Bill DiBiasio made a motion, seconded by Mike Babbitt, that the Municipal Operating Budget be recommended at \$19,074,348 for an increase of \$120,329.**

**The motion passed by unanimous vote.**

**Hagop Jawharjian made a motion, seconded by Rhonda Lacombe, that the \$50,000 High School Campus Feasibility Study be moved to Municipal Resolutions.**

**The Budget Board discussed that if the Town Administrator is going to manage the project, and the High School building belongs to the**



**Town as well, the study should be a municipal resolution.**

**The motion passed by unanimous vote.**

**This makes total recommended Municipal Resolutions \$3,408,500 and total recommended Education Resolutions \$1,500,000.**

**Bill DiBiasio made a motion, seconded by Mike Babbitt, that the Total Combined Municipal and Education Budgets be recommended at \$78,772,929 for an increase of \$2,634,217 over the previous year.**

**The motion passed by unanimous vote.**

**In Revenues, The Town Administrator had noted that the Town Council is looking at their next meeting to change the ordinance regarding Video Lottery Revenues so that anything over \$5 million instead of \$5.2 million would go to surplus.**

**The Budget Board did not believe any changes to that should be made before anything is approved at the Financial Town Meeting, and no motion was made to reflect the change from \$5.2 million to \$5 million in the recommended budget.**

**Bill DiBiasio made a motion, seconded by Paul DiDomenico, that Total Revenues be recommended at \$78,772,929. The motion passed by unanimous vote.**

**Bill DiBiasio made a motion, seconded by Mike Babbitt, that the Total Tax Levy be recommended at \$52,930,481 which reflects a collection rate of 97.5% based on historical averages.**

**The motion passed by unanimous vote.**

**The Budget Board reviewed the Resolutions that had not yet been voted upon.**

### **Resolution IX**

**Bill DiBiasio made a motion, seconded by Rhonda Lacombe, to approve the amended wording of Resolution IX for recommendation to the financial Town Meeting.**

**The motion passed by a vote of 9-1 with Richard Foster opposing.**

### **Resolution XII**

**The Budget Board discussed the High School Campus Feasibility Study and whether other school buildings, particularly the elementary schools, would be studied in the future.**

**The Budget Board will work on the wording of this Resolution and then bring it to a vote on the amended language.**

### **Public Comment**

**There were no public comments or questions at the time.**

### **Adjourn**

**Bill DiBiasio made a motion, seconded by Paul DiDomenico, to adjourn the meeting.**

**The meeting adjourned at 10:06 pm.**